

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT:	EQUITABLE RESOURCES	)	DIVISION OF
	EXPLORATION	)	GAS AND OIL
		)	DOCKET NO.
RELIEF SOUGHT:	EXCEPTION TO	)	VGOB-92/02/18-0187
	STATEWIDE SPACING	)	
		)	
LEGAL DESCRIPTION:		)	
		)	
	WELL NUMBER V-2326	)	
	PVRC TRACT NO. T-1601	)	
	WISE QUADRANGLE	)	
	LIPPS MAGISTERIAL DISTRICT	)	
	WISE COUNTY, VIRGINIA	)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on February 18, 1992, at the Virginia 4-H Center, Abingdon, Virginia.

2. Appearances: Richard A. Counts, Attorney, appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, appeared for the Board.

3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.

4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for Well Number V-2326. The Applicant requests the Board's consent to drill Well Number V-2326 closer than 2640 feet to EREX Well Numbers 133745 and V-2342.

5. Amendment: None.

6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between

surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive hydrocarbons underlying the drilling and spacing unit.

A qualified landman testified that the location exception was necessary to comply with an Environmental Impact Statement and Environmental Assessment conducted upon United States Forest Service lands within the Jefferson National Forest. The landman also testified that the location exception was necessary due to environmental constraints, accommodation of other mineral interests and effective land management practices.

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2326 within 2575.73 feet of Well Number ANR 10933 and within 1917.05 feet of EREX Well Numbers 133745 and V-2342.

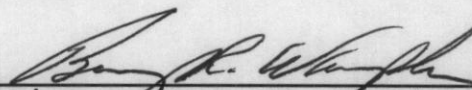
8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

10. Done and executed this 2<sup>nd</sup> day of May, 1992, by a majority of the Virginia Gas and Oil Board.

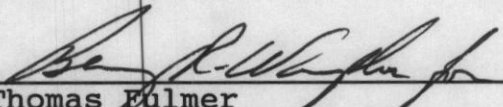
11. Done and performed this 2<sup>nd</sup> day of May, 1992, by Order of this Board.

VIRGINIA GAS AND OIL BOARD

  
Chairman, Benny R. Wampler

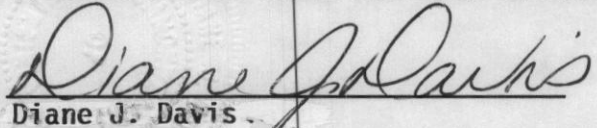


DONE AND PERFORMED  
BY ORDER OF THE BOARD:

  
Byron Thomas Fulmer  
Principal Executive To The Staff  
Virginia Gas and Oil Board

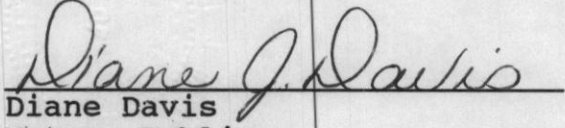
STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 17<sup>th</sup> day of May, 1992,  
personally before me a notary public in and for the Commonwealth of  
Virginia, appeared Benny Wampler, being duly sworn did depose and  
say that he is Chairman of the Virginia Gas and Oil Board, that he  
executed the same and was authorized to do so.

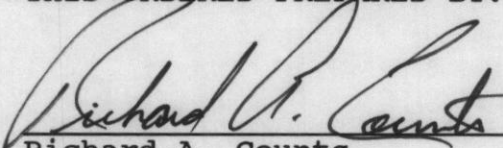
  
Diane J. Davis  
Notary Public  
My commission expires 9/23/92

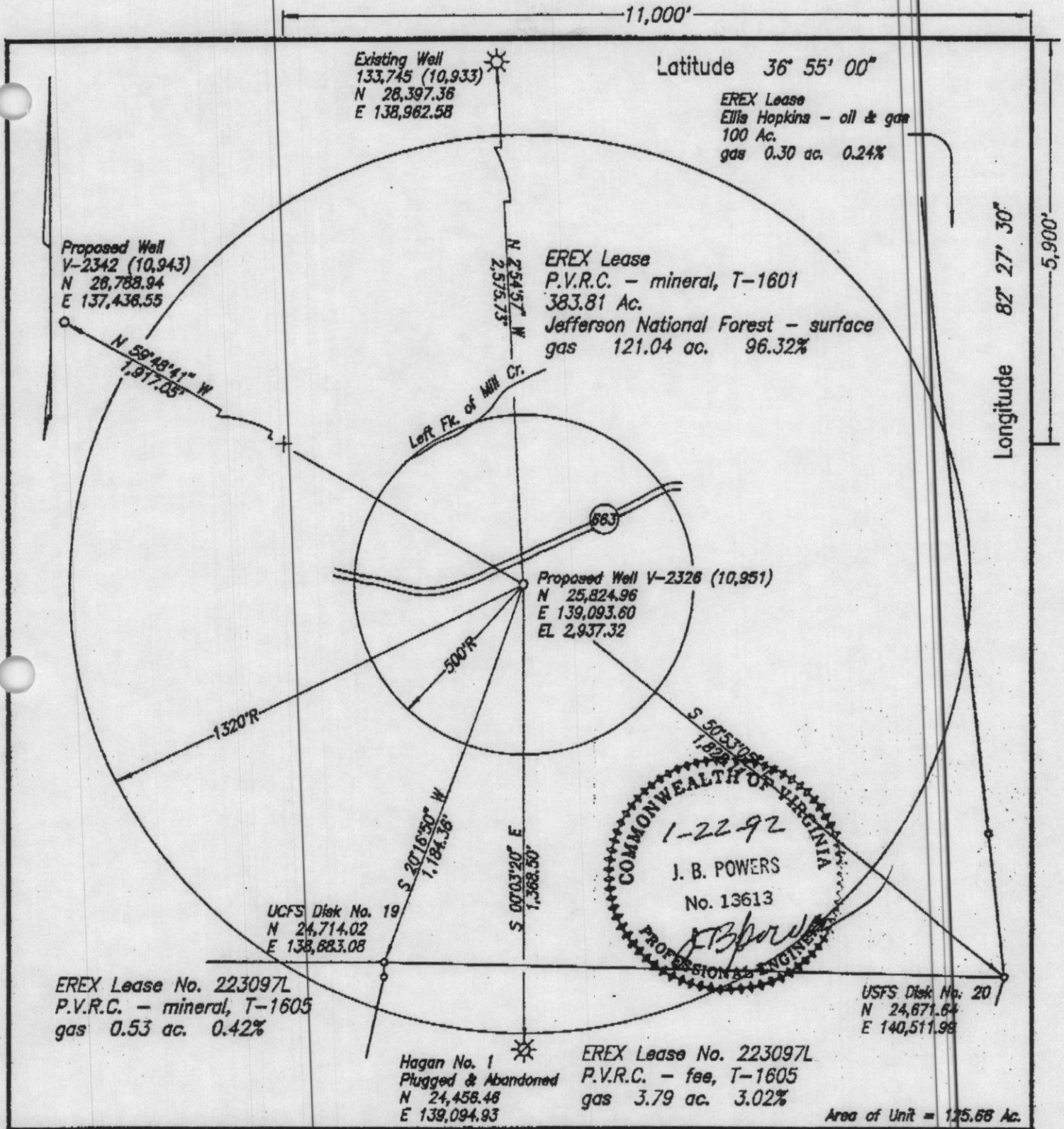
STATE OF VIRGINIA )  
COUNTY OF WASHINGTON )

Acknowledged on this 17<sup>th</sup> day of May, 1992,  
personally before me a notary public in and for the Commonwealth of  
Virginia, appeared Benny Wampler, being duly sworn did depose and  
say that he is Principal Executive to the staff of the Virginia Gas  
and Oil Board, that he executed the same and was authorized to do  
so.

  
Diane Davis  
Notary Public  
My commission expires 9/23/92

THIS ORDERED PREPARED BY:

  
Richard A. Counts



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER V-2326 (10,951)  
 TRACT NO. 1601 ELEVATION 2,937.32 QUADRANGLE Wise  
 COUNTY Wise DISTRICT Lipps SCALE 1" = 400' DATE 1-18-1992  
 This Plat is a new plat x; an updated plat     ; or a final location plat       
 + Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

J. B. POWERS  
 Licensed Professional Engineer or Licensed Land Surveyor